

Figure 4

TECHNICAL DESCRIPTION OF DCP PROCESSES

(System fields appear in bold)

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OFFICE OF PETITIONS

I. Annual determination of coverage dates and premiums

For each participant:

If **Coverage Election** = YES

AndIf **Date of Termination** = 00/00/0000 or **Date of Termination** > **Current Effective Date**

Then

For each source of money:

If **Source Eligible for Coverage** = YES

AndIf participant had source contributions

Then

Coverage Date = **Current Effective Date**

and

Source Coverage = Total prior year's source contributions (net of adjustments and corrections)

and

Source Premium = **Source Coverage** x **Insurance Rate**

and

Source Monthly Premium = **Source Premium** / 12

and

Life-To-Date Source Coverage = **Life-To-Date Source Coverage** + **Source Coverage**

EndIf

EndIf

Next Source

EndIf

EndIf

Next Participant

II. Annual fund transfer to cover premiums

For each participant:

 If **Coverage Date = Current Effective Date**

 Then

 For each source:

 If **Source Premium \neq 0**

 Then

 Sell eligible funds in amount of **Source Premium**

 and

 Buy "Disability Premium" Fund in amount of **Source Premium**

 EndIf

 Next Source

 EndIf

Next participant

III. Monthly sale to pay premiums

For each participant:

 If **Date of Termination = 00/00/0000** or **Date of Termination \geq 1st day of current month**

 Then

 For each source:

 If **Source Monthly Premium \neq 0**

 Then

 Sell "Disability Premium" fund in amount of **Source Monthly Premium**

 EndIf

 Next source

 EndIf

Next participant

IV. Monthly disability payments

For each participant:

 If Disability Payment Start Date < Current Date

 Then

 For each source:

 If Source Coverage = 0

 Then

 Purchase funds in amount of monthly payment, according to investment elections

 EndIf

 Next source

 EndIf

Next Participant

V. Year-End Archive

For each plan:

 Add 1 to Effective Date year

 For each participant:

 For each source, where T = current year

 Source Coverage^{T-1} = Source Coverage^T

 Source Premium^{T-1} = Premium^T

 Source Coverage^T = 0

 Source Premium^T = 0

 Next source

 Next participant

Next plan